## INFORMATION REPORT

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| COUNTRY     | East Germany  | REPORT  |               |               |
|-------------|---|---|---------------|---------------|
| SUBJECT     | Leipsig Spring Fair<br>(28 February - 9 March 1955) | DATE DISTR.   | 20 April 1955 | 25 <b>X</b> 1 |
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| DATE ACQUI  | REC   | This is UNEVALUATED   |               |               |
|             | THE APPRAISAL                                       | Information  IN THIS REPORT ARE DEFINITIVE.  OF CONTENT IS TENTATIVE.  KEY SEE REVERSE) |               | -             |

- 1. The number of East German official personnel who are to attend the 1955
  Leipzig Spring Fair (approximately 28 February to 9 March) will be 25X1
  limited to 60% of the number which attended last year. Several reasons
  for the above reduction have been advanced. If there are fewer visitors
  to Leipzig, fewer consumer goods will have to be available to that area.
  In addition, the East German State Treasury will have to pay fewer
  persons per diem allowances while at the Fair. These allowances have
  been cut from 17 and 18 DME to 12 and 13 DME according to the rank of the
  visitor. While the former allowances were just adequate for a careful
  spender, the new allowances are definitely less than the daily required
  amount of money. It is assumed that the cut in per diem allowances
  will result in fewer official requests to attend the Fair.
- 2. A number of import agreements have been reached with foreign suppliers. Ontracts for these imports have not been signed as yet. They will be signed at the Leipsig Fair, so that the record of contracts signed, whether for export or import, will be greater than would otherwise be the case 25X1
- an agreement has already been reached exhibit the exact welding equipment, in kind and amounts, that is needed by East Germany. East Germany will accept the welding equipment from the exhibitors as payment for the rental fees and the East German currency made available to exhibitors. This specifically known case is undoubtedly duplicated by other cases involving exhibitors of machines and similar equipment of interest to the Ministries for Heavy Industry and Machine Construction.
- while at times the personnel of enterprises which have plants

  have been encouraged to maintain contact with the
  enterprise, it is also feared that through
  such connections some
  (see paragraph 3 above) certain graph and materials that could be produced in East Germany. The East desires government fears that East
  German personnel with contacts in the Western branches would not expand
  the production capacities of the East German branches to such an extent

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| that they would serior                | usly compete with              | enterprises   | 25X1 |
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